

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION

JOINT APPROP SUBCOMMITTEE ON GENERAL GOVERNMENT AND TRANSPORTATION

Call to Order: By **CHAIRMAN LILA TAYLOR**, on January 13, 1999 at 9:00 A.M., in Room 402 Capitol.

ROLL CALL

Members Present:

Rep. Lila Taylor, Chairman (R)
Sen. Mike Taylor, Vice Chairman (R)
Sen. Eve Franklin (D)
Sen. Ken Mesaros (R)
Rep. Ray Peck (D)
Rep. Joe Quilici (D)

Members Excused: None.

Members Absent: None.

Staff Present: Lynn Daily, Committee Secretary
Mary Beth Linder, OBPP
Amy Sassano, OBPP
Jim Turner, Legislative Fiscal Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Executive Action for the Department of Administration Budget
No executive action will be taken on MTPRRIME or ISD.

Motion/Vote: Rep. Quilici moved DP 1 - Governor Elect Appropriation (Pg A-141) restricting this appropriation to paying only start-up costs for the incoming Governor do pass as amended. Motion carried unanimously.

Motion/Vote: Sen. Franklin moved base for Biennium (Pg A-142). Motion carried unanimously.

January 13, 1999

PAGE 2 of 6

Motion/Vote: Sen. Franklin moved state wide present law (Pg A-142). Motion carried unanimously.

Motion: Sen. Franklin moved DP 4 - DOA Network Charges/Misc Adj-HB 2 (Pg A-143).

Discussion: **SEN. TAYLOR** asks where the financial advisory budget chair trip money comes. **Lois Menzies** says that there is a pool of money which is contributed by a fee from agency bonds. It paid for a financial advisor to come for a day from Minnesota and costs about \$2,000, plane fare alone costs \$1,100.

Vote: Motion carried unanimously.

Motion/Vote: Rep. Quilici moved DP 9 - Flood Control Funds to Counties (Pg A-143). Motion carried unanimously.

Motion: Rep. Quilici moved Proprietary Rates (Pg A-144).

Discussion: **CHAIRMAN TAYLOR** asks if this is a percentage or a money amount. **Jim Turner** states that it is a money amount

Vote: Motion carried unanimously.

{Tape : 1; Side : A; Approx. Time Counter : 0 - 30.7}

Motion: Rep. Peck moved that 60-day working capital (Pg A-147) do pass.

Discussion: **CHAIRMAN TAYLOR** asks about how the department was run before. **Cathy Muri** said that the current cost is \$18/hour. They have asked to go to a 60 day working capital rate because they have a small number of people who support 160 computers and turnover is very high. They didn't raise enough revenue last year to cover their salaries.

Vote: Motion carried unanimously.*

***SENATOR TAYLOR** Votes Aye by Proxy.

CHAIRMAN TAYLOR decided to postpone DP 1- Funding switch from Proprietary Funds to State Special Revenue Fund (Pg A-149).

Motion: Rep. Peck moved that 60 day working capital for the Warrant Writer Program do pass (Pg A-150).

{Tape : 1; Side : B; Approx. Time Counter : 0 - 30.7}

Discussion: **SEN. FRANKLIN** asks if the 60-day working capital meets any other needs. **Mrs. Muri** says that this is a unit that will be affected by MTPRRIME. **Jim Turner** says that the auditor would say that they need to be commensurate with costs. They would be more flexible but there would be less legislative control.

January 13, 1999

PAGE 3 of 6

Vote: Motion failed 3-3 with Franklin, Peck, and Quilici voting aye.

Motion/Vote: SEN. Taylor moved fee scheduling. Motion carried unanimously.

Motion: SEN. Taylor moved New Proposals - DP 7 - Warrant Writer Adjustments (Pg A-152) be postponed.

Motion/Vote: Sen. Franklin moved base adjustment (Pg A-154). Motion carried unanimously.

Motion/Vote: Sen. Franklin moved State Wide present laws (Pg A-155). Motion carried unanimously.

Motion/Vote: Sen. Franklin moved DP 1 - Other Fixed Costs - Purchasing (Pg A-155). Motion carried unanimously.

Motion: SEN. Taylor moved DP 12 - Funding Shift to State Special Revenue (Pg A-155) be postponed.

Motion/Vote: Rep. Quilici moved that 60 day working capital (Pg A-156) do pass. Motion carried unanimously.

Motion/Vote: Rep. Quilici moved 60 day working capital for central stores (Pg A-159). Motion carried unanimously.

Motion/Vote: SEN. Taylor moved Enterprise fund (Pg A-160). Motion carried unanimously.

Motion: SEN. Taylor moved to postpone Natural Gas and Electricity Procurement Program (Pg A-161).

Motion/Vote: Rep. Quilici moved base of General Services Program (Pg A-178). Motion carried unanimously.

Motion/Vote: Sen. Franklin moved State wide present (Pg A-179). Motion carried unanimously.

Motion/Vote: Rep. Quilici moved DP 13 - Capital Outlay (Pg A-179). Motion carried unanimously.

Motion/Vote: Sen. Franklin moved DP 15 - HB 2 Adjustments (Pg A-179). Motion carried unanimously.

Motion: SEN. Taylor moved Proprietary Rates (Pg A-180) be postponed.

January 13, 1999

PAGE 4 of 6

Motion: SEN. FRANKLIN moved TO ACCEPT 60 DAY WORKING CAPITAL AND DEAD HEAD RATE AS COSTS TO AGENCIES (Pg A-184).

Discussion:

{Tape : 2; Side : A; Approx. Time Counter : 0 - 30.7}

CHAIRMAN TAYLOR asks why they need such a large amount of cash on hand. Marvin Eicholtz says that they need it because they buy postage up front and the agencies pay it back within 60 days. They also have an outstanding loan that are paying back.

SEN. MESAROS asks if a 30 day working capital would be adequate. Marvin says it probably would, however they need money to pay the bills.

CHAIRMAN TAYLOR asks if 60 days is the maximum allowed. Tony Herbert says that is true but they always try to manage at a lower level.

Mary Beth Linder says that when the LFP reviewed their budget they found it to be very efficient. Sometimes they may have a different type of mail and need to purchase a higher postage rate.

Jim Turner says that with a 60 day working capital the legislature doesn't have as much control, however they do have a lot of private competition.

CHAIRMAN TAYLOR asks why the balance has increased but they still owe money to the general fund. Marvin Eicholtz says that they are paying it back every year and it has decreased substantially. CHAIRMAN TAYLOR points out that the retained earnings have increased from \$90,000,000 to \$300,000,000. Marvin says that this figure also includes assets and is not just a cash value.

Vote: Motion carried unanimously.

Motion/Vote: SEN. TAYLOR moved BASE FOR THE ARCH & ENGINEERING PGM (Pg A-153). Motion carried unanimously.

Motion: SEN. TAYLOR moved PERSONAL SERVICES LESS THE LFD COMMENTS OF \$17,542 IN FY2000 AND \$17,430 IN FY2001.

Discussion: REP. PECK is going to oppose because it seems that they are rarely keeping their heads above water now.

SEN. FRANKLIN is going to join REP. PECK in opposing this motion.

{Tape : 2; Side : B; Approx. Time Counter : 0 - 30.7}

January 13, 1999

PAGE 5 of 6

CHAIRMAN TAYLOR asks what the intern did this summer. **Tom O'Connell** says that they turned it into a short term worker because they have between 350 and 400 projects at one time. They are having a very hard time filling positions. He helped the Mechanical Drawing department.

Vote: Motion failed 2-4 with Taylor and Taylor voting aye.

Motion/Vote: SEN. MESAROS moved STATE WIDE PRESENT LAW (Pg A-153). Motion failed 2-4 with Taylor and Taylor voting aye.

Motion/Vote: SEN. TAYLOR moved DP 1 AS A ONE TIME APPROPRIATION. Motion carried unanimously.

Motion/Vote: REP. QUILICI moved BASE FOR THE STATE PERSONNEL DIVISION. Motion carried unanimously.

Motion/Vote: SEN. TAYLOR moved STATE WIDE PRESENTLY (Pg A-187). Motion carried unanimously.

CHAIRMAN TAYLOR decided to Postpone DP 1 (Pg A-187).

Motion/Vote: SEN. TAYLOR moved THE NEW RATE INCREASE FROM \$50.91 TO \$52.84. Motion carried 5-1 with Franklin voting no.

Motion/Vote: REP. QUILICI moved TABLE ON Pg 192 FOR THE STATE PERSONNEL DIVISION. Motion carried unanimously.

HOUSE JOINT APPROP SUBCOMMITTEE ON GENERAL GOVERNMENT AND
TRANSPORTATION

January 13, 1999
PAGE 6 of 6

ADJOURNMENT

Adjournment: 12:07 P.M.

REP. LILA TAYLOR, Chairman

LYNN DAILY, Secretary

LT/LD

EXHIBIT (jgh09aad)